

Company Registration No 2120366 (England and Wales)

MARK ALLEN HOLDINGS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007

Hazlems Fenton
Chartered Accountants
Palladium House
1-4 Argyll Street
London W1F 7LD

WEDNESDAY



A20 05/12/2007 221
ALCUXV81
COMPANIES HOUSE

MARK ALLEN HOLDINGS LIMITED

DIRECTORS AND ADVISERS

Directors	M Allen S Allen B Allen D Kemp K Toumba
Secretary	B Allen
Company number	2120366
Registered office	St Jude's Church Dulwich Road Herne Hill London SE24 0PB
Registered auditors	Hazlems Fenton Chartered Accountants Palladium House 1-4 Argyll Street London W1F 7LD
Business address	St Jude's Church Dulwich Road Herne Hill London SE24 0PB

MARK ALLEN HOLDINGS LIMITED

CONTENTS

	Page
Directors' report	1 - 3
Independent auditors' report	4 - 5
Consolidated profit and loss account	6
Balance sheets	7
Consolidated cash flow statement	8
Notes to the consolidated cash flow statement	9
Notes to the financial statements	10 - 21

MARK ALLEN HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2007

The directors present their report and financial statements for the year ended 31 March 2007

Directors

The following directors have held office since 1 April 2006

M Allen
S Allen
B Allen
D Kemp
K Toumba

Principal activities and review of the business

The principal activities of the group are that of the publication of medical, educational, leisure and trade journals, the publication of regional trade directories, the publishing of medical and educational books, the organisation of conferences and exhibitions, the organisation of world-wide study tours and on-line trading through its web-sites

Given its current strategy of growth through acquisitions, the main risks and uncertainties specific to the group concerns sufficient cash generation to fund these acquisitions, and the continued profitability of acquired business. As reported below, the directors are pleased to report success in these areas as well as satisfactory performance within the markets in which it operates

The directors regard this as an extremely satisfactory year. Although group turnover fell slightly year on year, gross margins improved and operating profit was slightly ahead of last year's. Sales in the core publishing activity rose by 14%, offset by lower turnover elsewhere in the group, notably in conferences on the closure of an unprofitable joint venture.

Cash generation continued to be strong. Despite spending £420,000 out of cash flow on acquisitions, loan repayments and new in-house developments, net current assets rose by £100,000 and bank balances by £350,000.

During the year the group purchased the journal Gastrointestinal Nursing from RCN Publishing Limited in April 2006 and acquired, through its subsidiary MA Education Limited, all the share capital of Step Forward, publishers of educational journals and books, in October 2006. The group also launched two titles developed in house: British Journal of School Nursing in September 2006 and Sustainable Solutions in October 2006.

The directors will continue to seek further growth organically and by acquisition. Since the financial year end we have launched two further home-grown titles, British Journal of Healthcare Assistants and Journal of Children's and Young People's Nursing, acquired Journal of Wound Care from EMAP Communications Limited, and acquired all the share capital of Hopscotch Educational Publishing Limited in July 2007.

MARK ALLEN HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2007

The financial instruments used by the company arise wholly and directly from its activities. The financial instruments comprise debtors, cash at bank and creditors.

The company has put in place the following measures in order to manage the financial risks arising from these financial instruments:

- 1 The company has a clear credit facility policy and any unpaid balances are rigorously followed up on an ongoing basis.
- 2 The company maintains management accounts and monitors its cash flow daily.
- 3 The financial risk arising from the possible non advance of credit by the company's trade creditors, either by exceeding the credit limit or not paying within the specified terms, is managed by prompt payment and regularly monitoring the trade balance and credit terms for all suppliers.

Results and dividends

The consolidated profit and loss account for the year is set out on page 6.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Hazlems Fenton be reappointed as auditors of the company will be put to the Annual General Meeting.

MARK ALLEN HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2007

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the group's auditors are aware of that information.

On behalf of the board



M Allen

Director

21st November 2007

MARK ALLEN HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF MARK ALLEN HOLDINGS LIMITED

We have audited the financial statements of Mark Allen Holdings Limited for the year ended 31 March 2007 set out on pages 6 to 21. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's and the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

MARK ALLEN HOLDINGS LIMITED

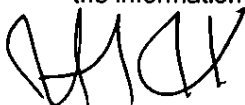
INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE SHAREHOLDERS OF MARK ALLEN HOLDINGS LIMITED

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's and the group's affairs as at 31 March 2007 and of the group's profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements



Hazlems Fenton

30/11/07

Chartered Accountants
Registered Auditor

Chartered Accountants
Palladium House
1-4 Argyll Street
London W1F 7LD

MARK ALLEN HOLDINGS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2007

	Notes	2007 £	2006 £
Turnover	2		
Continuing operations		9,550,931	9,791,518
Acquisitions		222,433	-
		<u>9,773,364</u>	<u>9,791,518</u>
Cost of sales		(7,003,473)	(7,248,916)
Gross profit		<u>2,769,891</u>	<u>2,542,602</u>
Administrative expenses		(2,264,016)	(2,040,154)
Operating profit	3		
Continuing operations		432,048	502,448
Acquisitions		73,827	-
		<u>505,875</u>	<u>502,448</u>
Other interest receivable and similar income		8,864	10,446
Interest payable and similar charges	4	(1,193)	(4,353)
Profit on ordinary activities before taxation		<u>513,546</u>	<u>508,541</u>
Tax on profit on ordinary activities	5	(118,999)	(120,360)
Profit on ordinary activities after taxation		<u><u>394,547</u></u>	<u><u>388,181</u></u>

There are no recognised gains and losses other than those passing through the profit and loss account

MARK ALLEN HOLDINGS LIMITED

BALANCE SHEETS AS AT 31 MARCH 2007

		Group		Company	
	Notes	2007	2006	2007	2006
		£	£	£	£
Fixed assets					
Intangible assets	8	970,468	664,047	-	-
Tangible assets	9	351,953	404,309	-	-
Investments	10	-	-	30,201	30,201
		<u>1,322,421</u>	<u>1,068,356</u>	<u>30,201</u>	<u>30,201</u>
Current assets					
Stocks	11	174,543	163,486	-	-
Debtors	12	2,942,341	2,635,242	100	38,235
Cash at bank and in hand		628,687	272,404	3	3
		<u>3,745,571</u>	<u>3,071,132</u>	<u>103</u>	<u>38,238</u>
Creditors: amounts falling due within one year	13	(4,032,092)	(3,468,135)	(1,965)	(40,100)
Net current liabilities		<u>(286,521)</u>	<u>(397,003)</u>	<u>(1,862)</u>	<u>(1,862)</u>
Total assets less current liabilities		<u>1,035,900</u>	<u>671,353</u>	<u>28,339</u>	<u>28,339</u>
Capital and reserves					
Called up share capital	15	30,000	30,000	30,000	30,000
Profit and loss account	16	1,005,900	641,353	(1,661)	(1,661)
Shareholders' funds - equity interests	17	<u>1,035,900</u>	<u>671,353</u>	<u>28,339</u>	<u>28,339</u>

The financial statements were approved by the board on

21st November 2007

Mark Allen

M Allen
Director

MARK ALLEN HOLDINGS LIMITED

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2007

	2007		2006	
	£	£	£	£
Net cash inflow from operating activities		973,574		207,394
Returns on investments and servicing of finance				
Interest received	8,864		10,446	
Interest paid	(791)		(4,353)	
Net cash inflow for returns on investments and servicing of finance		8,073		6,093
Taxation		(121,686)		(49,296)
Capital expenditure				
Payments to acquire intangible assets	(340,097)		(244,418)	
Payments to acquire tangible assets	(88,031)		(105,572)	
Receipts from sales of tangible assets	-		2,026	
Net cash outflow for capital expenditure		(428,128)		(347,964)
Equity dividends paid		(70,000)		-
Net cash inflow/(outflow) before management of liquid resources and financing		361,833		(183,773)
Financing				
Capital element of finance lease contracts	(5,550)		(34,243)	
Net cash outflow from financing		(5,550)		(34,243)
Increase/(decrease) in cash in the year		356,283		(218,016)

MARK ALLEN HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2007

1	Reconciliation of operating profit to net cash inflow from operating activities	2007	2006		
		£	£		
	Operating profit	505,875	502,448		
	Depreciation of tangible assets	140,387	147,077		
	Amortisation of intangible assets	33,676	52,311		
	Profit on disposal of tangible assets	-	(1,250)		
	(Increase)/decrease in stocks	(11,057)	22,091		
	Increase in debtors	(307,099)	(11,693)		
	Increase/(decrease) in creditors within one year	611,792	(503,590)		
	Net cash inflow from operating activities	973,574	207,394		
2	Analysis of net funds	1 April 2006	Cash flow	Other non-	31 March 2007
			cash changes		
		£	£	£	£
	Net cash				
	Cash at bank and in hand	272,404	356,283	-	628,687
		272,404	356,283	-	628,687
	Finance leases	(5,550)	5,550	-	-
	Net funds	266,854	361,833	-	628,687
3	Reconciliation of net cash flow to movement in net debt	2007	2006		
		£	£		
	Increase/(decrease) in cash in the year	356,283	(218,016)		
	Cash outflow from decrease in debt	5,550	34,243		
	Movement in net funds in the year	361,833	(183,773)		
	Opening net funds	266,854	450,627		
	Closing net funds	628,687	266,854		

MARK ALLEN HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 March 2007. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Goodwill

Intangible fixed assets represent the goodwill, intellectual property and publishing rights of titles or conferences acquired by the group and the excess of acquisition costs over the net worth of companies acquired. These are stated at cost less amortisation. Amortisation is provided on acquired titles and events only, at rates calculated to write off the cost over the expected useful life, at 5% of cost on a straight line basis or, if sooner, over the period to which the rights apply.

Goodwill does not include the development cost of new titles originated and launched in-house, which represents the majority of group's portfolio of titles. Such development costs are written off as incurred and are not recognised in the balance sheet.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	5% on a Straight line basis
Fixtures, fittings & equipment	20% Straight line on Fixtures & fittings, 33 33% Straight line on Office equipment
Motor vehicles	25% on a Straight line basis

1.6 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.8 Stock

Stock is valued at the lower of cost and net realisable value.

MARK ALLEN HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

1 Accounting policies (continued)

1.9 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17

1.10 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

1.11 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account

2 Turnover

The analysis by class of business of the group's turnover is set out as below

Turnover

	2007 £	2006 £
Class of business		
Publishing	7,047,414	6,169,413
Conferences	957,120	1,632,686
Travel	1,106,098	1,270,047
Office Furniture	662,732	719,372
	<u>9,773,364</u>	<u>9,791,518</u>

3 Operating profit

	2007 £	2006 £
Operating profit is stated after charging		
Depreciation of intangible assets	33,676	52,311
Depreciation of tangible assets	140,387	147,077
Loss on disposal of tangible assets	-	775
Operating lease rentals	-	6,000
Auditors' remuneration (company £-, 2006 £-)	22,000	20,920
Remuneration of auditors for non-audit work	580	-
and after crediting		
Profit on disposal of tangible assets	-	(2,025)

MARK ALLEN HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

4	Interest payable	2007 £	2006 £
	On bank loans and overdrafts	449	346
	Hire purchase interest	621	4,007
	Other interest	123	-
		<u>1,193</u>	<u>4,353</u>

5	Taxation	2007 £	2006 £
	Domestic current year tax		
	U K corporation tax	118,999	120,360
	Current tax charge	<u>118,999</u>	<u>120,360</u>

Factors affecting the tax charge for the year

Profit on ordinary activities before taxation	<u>513,546</u>	<u>508,541</u>
---	----------------	----------------

Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2006 - 30.00%)

	<u>154,064</u>	<u>152,562</u>
--	----------------	----------------

Effects of

Non deductible expenses	15,467	982
Depreciation add back	41,786	52,721
Capital allowances	(31,243)	(31,254)
Tax losses utilised	(34,091)	(34,029)
Other tax adjustments	(26,984)	(20,622)
	<u>(35,065)</u>	<u>(32,202)</u>

Current tax charge	<u>118,999</u>	<u>120,360</u>
---------------------------	----------------	----------------

6 Profit for the financial year

As permitted by section 230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows

	2007 £	2006 £
Holding company's profit for the financial year	<u>30,000</u>	<u>40,000</u>

MARK ALLEN HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

7	Dividends	2007 £	2006 £
	Ordinary interim paid	30,000	-
	Ordinary final proposed	-	40,000
		<u>30,000</u>	<u>40,000</u>

8	Intangible fixed assets Group	Goodwill £
	Cost	
	At 1 April 2006	868,218
	Additions	340,097
	At 31 March 2007	<u>1,208,315</u>
	Amortisation	
	At 1 April 2006	204,171
	Charge for the year	33,676
	At 31 March 2007	<u>237,847</u>
	Net book value	
	At 31 March 2007	<u>970,468</u>
	At 31 March 2006	<u>664,047</u>

This represents the goodwill, intellectual property and publishing rights of titles and conferences acquired by the group, and the excess of costs of investments in acquired companies over the net worth of the businesses at the date of acquisition

New titles created and originated in-house, which represent the majority of the group's portfolio, are not included in the balance sheet. The costs of developing such in-house new titles are written off as incurred.

MARK ALLEN HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

9 Tangible fixed assets Group

	Land and buildings Freehold £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2006	192,971	715,953	273,776	1,182,700
Additions	-	88,031	-	88,031
At 31 March 2007	192,971	803,984	273,776	1,270,731
Depreciation				
At 1 April 2006	27,001	489,240	262,150	778,391
Charge for the year	9,939	124,118	6,330	140,387
At 31 March 2007	36,940	613,358	268,480	918,778
Net book value				
At 31 March 2007	156,031	190,626	5,296	351,953
At 31 March 2006	165,970	226,713	11,626	404,309

Included above are assets held under finance leases or hire purchase contracts as follows

	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Net book values			
At 31 March 2007	-	5,295	5,295
At 31 March 2006	-	10,404	10,404
Depreciation charge for the year			
31 March 2007	-	5,108	5,108
31 March 2006	-	10,030	10,030

MARK ALLEN HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

10 Fixed asset investments

Company	Shares in group undertakings £
Cost	
At 1 April 2006 & at 31 March 2007	30,201
At 31 March 2006	30,201

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held	%
		Class	
Subsidiary undertakings			
Mark Allen International Communications Ltd	England and Wales	Ordinary	100
MA Healthcare Limited	England and Wales	Ordinary	100
MA Education Limited	England and Wales	Ordinary	100
PR Please Limited	England and Wales	Ordinary	100
Master Travel Limited	England and Wales	Ordinary	100
MA Interiors Limited	England and Wales	Ordinary	100
A & D Media Limited	England and Wales	Ordinary	100
Mark Allen Scientific Publishing Limited	England and Wales	Ordinary	100
Step Forward Publishing Limited	England and Wales	Ordinary	100

The principal activity of these undertakings for the last relevant financial year was as follows

	Principal activity
Mark Allen International Communications Ltd	Non trading
MA Healthcare Limited	Publishing and conferences
MA Education Limited	Publishing and conferences
PR Please Limited	Non trading
Master Travel Limited	Tour operator
MA Interiors Limited	Office furniture supply
A & D Media Limited	Publishing and conferences
Mark Allen Scientific Publishing Limited	Non trading
Step Forward Publishing Limited	Publishing

MARK ALLEN HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

10 Fixed asset investments

(continued)

The Group bought the entire share capital of Step Forward Publishing Limited on 31st October 2006. At that date Step Forward Publishing Limited had net liabilities of £195,097. The book values of the assets and liabilities at the date of acquisition are considered to be the same as the fair value. The loss of Step Forward Publishing Limited from 1st August 2006 to the date of acquisition was £20,182 (Year ended 31st July 2006 £3,945). Under acquisition accounting, purchased goodwill arises as disclosed in Note 8.

11 Stocks

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Raw materials and consumables	45,093	44,679	-	-
Finished goods and goods for resale	129,450	118,807	-	-
	<u>174,543</u>	<u>163,486</u>	<u>-</u>	<u>-</u>

12 Debtors

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Trade debtors	1,081,466	983,965	-	-
Amounts owed by group undertakings	-	-	-	38,135
Other debtors	1,510,195	1,377,071	100	100
Prepayments and accrued income	350,680	274,206	-	-
	<u>2,942,341</u>	<u>2,635,242</u>	<u>100</u>	<u>38,235</u>

MARK ALLEN HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

13 Creditors - amounts falling due within one year

	Group 2007 £	2006 £	Company 2007 £	2006 £
Net obligations under finance lease and hire purchase contracts	-	5,550	-	-
Trade creditors	638,604	550,117	-	-
Amounts owed to group undertakings	-	-	1,965	100
Corporation tax	117,673	120,360	-	-
Other taxes and social security costs	235,698	194,974	-	-
Other creditors	24,149	29,287	-	-
Accruals and deferred income	3,015,968	2,527,847	-	-
Proposed dividend	-	40,000	-	40,000
	<u>4,032,092</u>	<u>3,468,135</u>	<u>1,965</u>	<u>40,100</u>

14 Pension costs

Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	2007 £	2006 £
Contributions payable by the group for the year	<u>184,559</u>	<u>114,009</u>

15 Share capital

	2007 £	2006 £
Authorised		
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
Allotted, called up and fully paid		
30,000 Ordinary shares of £1 each	<u>30,000</u>	<u>30,000</u>

MARK ALLEN HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

16 Statement of movements on profit and loss account

Group

Profit and
loss account
£

Balance at 1 April 2006	641,353
Profit for the year	394,547
Dividends paid	(30,000)
Balance at 31 March 2007	<u>1,005,900</u>

Company

Profit and
loss account
£

Balance at 1 April 2006	(1,661)
Profit for the year	30,000
Dividends paid	(30,000)
Balance at 31 March 2007	<u>(1,661)</u>

MARK ALLEN HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

17 Reconciliation of movements in shareholders' funds	2007	2006
Group	£	£
Profit for the financial year	394,547	388,181
Dividends	(30,000)	(40,000)
Net addition to shareholders' funds	364,547	348,181
Opening shareholders' funds	671,353	323,172
Closing shareholders' funds	1,035,900	671,353

Company	2007	2006
	£	£
Profit for the financial year	30,000	40,000
Dividends	(30,000)	(40,000)
Net depletion in shareholders' funds	-	-
Opening shareholders' funds	28,339	28,339
Closing shareholders' funds	28,339	28,339

18 Contingent liabilities

Group

The company's bankers have granted a bond dated 17 August 2006 to the Civil Aviation Authority for £175,250 in respect of Master Travel Limited's Air Travel Organisers Licence (ATOL). The bond is secured on all the assets of the group.

A cross guarantee arrangement has also been given in respect of the bank borrowings of Mark Allen Properties Limited, a company controlled by M Allen, a director.

19 Financial commitments

At 31 March 2007 the group had annual commitments under non-cancellable operating leases as follows

	2007	2006
	£	£
Expiry date		
Within one year	-	10,048

MARK ALLEN HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

20 Directors' emoluments	2007 £	2006 £
Emoluments for qualifying services	569,344	492,468
Company pension contributions to money purchase schemes	133,032	58,859
	<u>702,376</u>	<u>551,327</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 4 (2006- 4)

Emoluments disclosed above include the following amounts paid to the highest paid director

Emoluments for qualifying services	250,000	250,000
Company pension contributions to money purchase schemes	124,632	54,632
	<u>250,000</u>	<u>250,000</u>

21 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

2007 Number	2006 Number
95	88
<u>95</u>	<u>88</u>

Employment costs

	2007 £	2006 £
Wages and salaries	2,882,517	2,636,850
Social security costs	315,516	281,044
Other pension costs	184,559	114,009
	<u>3,382,592</u>	<u>3,031,903</u>

22 Control

The ultimate controlling party is the director M C Allen

MARK ALLEN HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

23 Related party transactions

Group

During the year, the group paid rent of £100,000 (2006 £100,000) to Mark Allen Properties Limited. The group also paid off £122,000 (2006 £500,000) of Mark Allen Properties Limited's bank loan in the year. Mark Allen Properties Limited is a company controlled by M C Allen.

Included in other debtors is an amount of £1,421,879 (2006 £1,285,460) owed by that company.